

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6553

BILL NUMBER: HB 1714

NOTE PREPARED: Jan 10, 2005

BILL AMENDED:

SUBJECT: Computer Spyware.

FIRST AUTHOR: Rep. Moses

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: Pending

Summary of Legislation: This bill prohibits the unauthorized installation of a computer spyware program that monitors a computer's usage and: (1) transmits usage information to another computer; or (2) displays certain advertisements in response to the computer's usage. It also permits the installation of spyware only if the computer owner consents after full disclosure of: (1) the spyware's purpose; and (2) a method of uninstalling the spyware.

This bill authorizes a web site owner, a trademark or copyright holder, or an authorized Internet advertiser harmed by spyware to bring a civil action against the person who unlawfully installed the spyware. It permits a person who brings a cause of action for unlawful spyware installation to receive injunctive relief and the greater of actual damages or \$10,000 per violation. This bill permits a court to award treble damages if the violation is knowing or intentional, and permits the award of attorney's fees and costs. This bill also requires the Consumer Protection Division of the Attorney General's Office to receive reports of unauthorized spyware installation.

Effective Date: July 1, 2005.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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